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DUPLICATE

ORIGINAL



UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

GIGANEWS, INC., a Texas
corporation; and LIVEWIRE
SERVICES, INC., a Nevada
corporation,

Plaintiffs,

v.

PERFECT 10, INC., a California
corporation; NORMAN ZADA, an
individual; and DOES 1-50, inclusive,

Defendants,

Case No. 2:17-cv-05075-AB (JPRx)

SPECIAL VERDICT FORM

1 In answering these questions, you are to follow all the instructions the Court
2 previously gave you. "Plaintiffs" means Giganews, Inc. and Livewire Services, Inc.
3 "Defendants" means Norman Zada and Perfect 10, Inc. You must reach a unanimous
4 decision for the following questions as instructed below:

5
6 WE, THE JURY in the above-entitled action, unanimously find as follows on the
7 questions submitted to us:

8
9 **1. Did Plaintiffs prove by a preponderance of the evidence that they have a**
10 **right to payment from Perfect 10?**

11 ☒ Yes ☐ No

12 *If you answered "no," you don't need to answer the remaining questions;*
13 *please have the presiding juror sign and date this form. Otherwise, go to the*
14 *next question.*

15
16 **2. Did Plaintiffs prove by a preponderance of the evidence that Perfect 10**
17 **transferred funds to Norman Zada?**

18 ☒ Yes ☐ No

19 *Go to the next question.*

20
21 **3. Did Plaintiffs prove by a preponderance of the evidence that Perfect 10**
22 **transferred physical property to Norman Zada?**

23 ☒ Yes ☐ No

24 *If you answered "no" to both questions 2 and 3, you don't need to answer the*
25 *remaining questions. Otherwise, go to the next question.*

Plaintiffs' Claim for Actual Fraudulent Transfer

4. Did Plaintiffs prove by a preponderance of the evidence that Perfect 10 made the transfers with the intent to hinder, delay, or defraud one or more of its creditors?

☒ Yes ☐ No

Go to the next question.

Plaintiffs' Claim for Constructive Fraudulent Transfer

5. Did Plaintiffs prove by a preponderance of the evidence that Perfect 10 did not receive reasonably equivalent value in exchange for the funds it transferred to Norman Zada?

☐ Yes ☒ No

Go to the next question.

6. Did Plaintiffs prove by a preponderance of the evidence that Perfect 10 did not receive reasonably equivalent value in exchange for the physical property it transferred to Norman Zada?

☐ Yes ☒ No

If your answered "no" to both questions 5 and 6, you can skip to question 10. Otherwise, answer the next question.

7. Did Plaintiffs prove by a preponderance of the evidence that Perfect 10 was in business or about to enter a transaction when its remaining assets were unreasonably small for the business or transaction?

☐ Yes ☐ No

Go to the next question.

- 1
2 8. Did Plaintiffs prove by a preponderance of the evidence that Perfect 10
3 intended to incur debts beyond its own ability to pay as they became due?

4 _____ Yes _____ No

5 *Go to the next question.*
6

- 7 9. Did Plaintiffs prove by a preponderance of the evidence that Perfect 10
8 should reasonably have believed that it would incur debts beyond its own
9 ability to pay as they became due?

10 _____ Yes _____ No

11 *Go to the next question.*
12

13 **Plaintiffs' Claim for Transfer of Personal Property Not Accompanied by**
14 **Transfer or Possession**
15

- 16 10. Did Plaintiffs prove by a preponderance of the evidence that Plaintiffs were
17 creditors of Perfect 10 at the time Perfect 10 made any transfers of physical
18 property to Norman Zada?

19 X Yes _____ No

20 *If you answered "no," you don't need to answer question 11. Otherwise, go to*
21 *the next question.*
22

- 23 11. Did Plaintiffs prove by a preponderance of the evidence that the transfers
24 of Perfect 10's physical property were not accompanied by an immediate
25 delivery followed by an actual and continued change of possession of that
26 property?

27 _____ Yes X No

28 *Go to the next question.*

Harm and Damages

12. Did Plaintiffs prove by a preponderance of the evidence that they were harmed by the transfers?

X Yes _____ No

If you answered "no," you don't need to answer further questions. Otherwise, go to the next question.

13. Did Plaintiffs prove by a preponderance of the evidence that Defendants' conduct was a substantial factor in causing Plaintiffs' harm?

X Yes _____ No

If you answered "no," you don't need to answer further questions. Otherwise, go to the next question.

14. What amount do you find sufficient to compensate Plaintiffs for Perfect 10's transfers of funds to Norman Zada?

TOTAL \$ \$ 454,000.00

Go to the next question.

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Punitive Damages

15. Did Plaintiffs prove by clear and convincing evidence that Defendants acted with malice, oppression, or fraud?

X Yes _____ No

If you answered "no," you don't need to answer further questions. Otherwise, go to the next question.

16. What amount of punitive damages, if any, do you award Plaintiffs?

TOTAL \$ \$ 746,000.00

Signed:

/s/

Dated:

4/3/19

After this verdict form has been signed, notify the clerk/bailiff/court attendant that you are ready to present your verdict in the courtroom.